

1992

Legislative Summary 1991-92 Session

Senate Committee on Public Employment and Retirement

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CALIFORNIA LEGISLATURE

**SENATE COMMITTEE ON
PUBLIC EMPLOYMENT AND RETIREMENT**
SENATOR CECIL GREEN, CHAIRMAN

LEGISLATIVE SUMMARY 1991-92 SESSION



Members:

Senator Ed Royce
Senator Pat Johnston
Senator John Lewis
Senator Dan McCorquodale

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LEGISLATIVE BILL SUMMARY

1991-92 REGULAR SESSION

SENATE COMMITTEE ON PUBLIC EMPLOYMENT AND RETIREMENT

SENATOR CECIL GREEN
Chairman

Members

SENATOR ED ROYCE
SENATOR PAT JOHNSTON
SENATOR JOHN LEWIS
SENATOR DAN MCCORQUODALE

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**SENATE COMMITTEE ON PUBLIC EMPLOYMENT AND RETIREMENT
LEGISLATIVE BILL SUMMARY
1991-92 REGULAR SESSION**

SENATE MEASURES

Senate Bill 17 [Lockyer] - Would allow Justice Court judges, who were made members of the Judges' Retirement System on a prospective only basis by Ch. 1417 of 1989, to purchase prior judicial service. The formula for the buy back was developed after a study required by Ch. 1417, and completed in February, 1990.

Amended - Amendments delete original version of the bill. Chaptered version authorizes the superior courts in every county to appoint one additional commissioner and provides that the additional commissioner shall be funded solely by the county in which the commissioner is appointed. **Chapter 1176, Statutes of 1992.**

Senate Bill 38 [Cecil Green] - Would allow immediate use of a newly enacted 12-month base for the calculation of PERS retirement benefits for retiring legislative employees, executive branch employees, and exempt employees of constitutional officers. Would also allow retiring legislative employees, who entered a health plan offered by the Senate and Assembly Rules Committees, to return to membership in a PERS-offered plan in order to continue receipt of the employer's contribution in retirement whether or not they take the additional service credit offered by the bill.

Amended - Amendments delete previous versions, and provide approval of the Memorandum of Understanding between the state and Bargaining Units 2 (Association of California State Attorneys) and 9 (Professional Engineers). **URGENCY.** **Chapter 798, Statutes of 1992.**

Senate Bill 86 [Alquist] - Would: 1) provide a modified version of the existing Annual Leave Program to about 20,000 state confidential and supervisory employees on a voluntary basis, and 2) increase the existing accrual rates and yearly retention limits of the Annual Leave Program. **Died in Senate Appropriations Committee.**

Senate Bill 91 [Ayala] - Would amend Ch. 988 of 1990 by clarifying provisions which allow state employees who are military reservists or members of the National Guard, and who are called to active duty as a result of the Persian Gulf War, to receive, for a 180 day period: a) the difference between their military pay and their state pay, and b) all benefits they would have received had they not been called to active duty. **URGENCY**. **Chapter 138, Statutes of 1991.**

Senate Bill 102 [Dills] - Would allow school districts to participate in the PERS health care program (PEMHCA) based upon locally bargained agreements. **Refused passage on Assembly floor.**

Senate Bill 137 [Thompson] - Would add nonprofit corporations or associations that operate county agricultural fairs, as defined, to the PERS definition of "public agency", allowing these entities to become PERS contract agency members.

As amended March 14, would also add certain auxiliary organizations of the California State University to the definition of "public agencies" eligible for PERS membership. **Chapter 404, Statutes of 1991.**

Senate Bill 165 [Robbins] - Would grant state employees paid leaves of up to 30 days to work as: 1) a certified disaster volunteer for the Red Cross; or 2) a state disaster service worker for the Office of Emergency Services. **Died in Senate Public Employment and Retirement Committee.**

Senate Bill 190 [Cecil Green] - Permits certain Executive Branch exempt employees to apply for civil service promotional examinations.

Provides that legislative employees employed on January 1, 1991 who due to a force reduction leave service prior to January 1, 1992 shall be eligible to take promotional civil service examinations for three years.

Requires up until January 1, 1992 any person either currently or formerly employed by the Legislature, employed for at least two years and employed by the Legislature on January 1, 1991 upon request within 30 days whenever possible but not more than 180 days, be given a civil service examination on a deferred basis for any classification with an existing list assuming minimum qualifications are met. **URGENCY**. **Chapter 26, Statutes of 1991.**

Senate Bill 193 [Cecil Green] - Would change the existing eligibility requirements for continuing the health benefits of certain legislative or exempt employees who separate from service.

Amended - Amendments delete prior version of the bill. The new bill repeals the law allowing County Employees Retirement Law counties to exclude flexible benefit payments made to employees and provides detailed legislative intent language concerning this action. URGENCY.
Chapter 45, Statutes of 1992.

Senate Bill 195 [P.E. & R. Committee] - Would change the state civil service law to: a) extend temporary assignment in order to complete apprenticeship, b) provide a new right for the employee to refuse a reinstatement offer to civil service employees who terminate exempt appointments, and c) protect applicants for state jobs who serve in the Persian Gulf War. URGENCY. **Chapter 98, Statutes of 1991.**

Senate Bill 196 [Cecil Green] - Would require STRS to establish procedures to implement requests for scientific surveys of the STRS memberships. These requests could only come from bona fide employee organizations with STRS members. **Vetoed by Governor.**

Senate Bill 246 [Presley] - Would allow counties that contract with PERS for retirement benefits to provide "safety" benefits to their Welfare Fraud and Coroner Investigators. **Vetoed by Governor.**

Senate Bill 278 [Mello] - Would increase the death benefit payment from \$600 to \$2,000 for: a) school members of PERS, and b) employees of a PERS contracting agency, if the agency chooses to participate. **Died on Assembly Ways and Means suspense file.**

Senate Bill 305 [Royce] - Would, as amended, give the volunteer fire department governing body the option to allow a member of the Volunteer Firefighters Length of Service Award System (VFLSAS) who reach age 60:

a) to continue in volunteer firefighting and accrue enough VFLSAS necessary for the 20-year maximum award, or

b) to receive the 10-year minimum VFLSAS benefit, and continue in volunteer firefighting without accruing more VFLSAS service credit.

Chapter 101, Statutes of 1991.

Senate Bill 306 [Royce] - Would permit a supplemental amount to be added to the award in the Volunteer Firefighters Length of Service Award System (VFLSAS), based on the condition of the VFLSAS Fund and as determined by the PERS Board.

As amended, the monthly award would be limited to \$150.
Chapter 881, Statutes of 1991.

Senate Bill 316 [Craven] - Would require PERS to provide that retired employees, whose monthly retirement allowance is insufficient to pay health plan premium costs, may continue to participate in the employer-sponsored health plan provided for active employees if the retirees pay the full cost of the premium and associated administrative costs. URGENCY
Chapter 499, Statutes of 1991.

Senate Bill 330 [P.E. & R. Committee] - Would provide that, when the obligation to provide services at a county hospital is transferred to the University of California, incumbent county-employed physicians would have the option to **continue** membership in the county retirement system. **Chapter 99, Statutes of 1991.**

Senate Bill 331 [Cecil Green] - Would allow the State Controller to waive specified indemnity requirements if the Controller determines that it is in the best interest of the state, and the state is adequately protected. (Heard in Senate Governmental Organization Committee) **Chapter 334, Statutes of 1991.**

Senate Bill 335 [Thompson] - Would require the state Department of Personnel Administration (DPA) to base its recommendation for the salaries of state firefighters on the results of an annual salary survey of other large local fire departments in California. **Vetoed by the Governor.**

Senate Bill 344 [Presley] - Would make substantial changes in procedures governing employer-employee relations. **Died in Senate Public Employment and Retirement Committee without hearing.**

Senate Bill 368 [Ayala] - Would, if agreed to in an M.O.U., provide a PERS service retirement formulae of either 2% at 55 ("state safety") or 2.5% at 55 ("Peace Officer/Firefighter") to all state members employed in state institutions. **Died on Senate Appropriations suspense file.**

Senate Bill 391 [Hill] - Would provide that eligible beneficiaries of state employees who die before age 50 (PERS minimum retirement age) and have at least 20 years of state service may receive an actuarially reduced PERS survivor benefit, and that these individuals may continue in the state's health plan by paying the employee contribution plus a 2% administrative fee. **Vetoed by Governor.**

Senate Bill 394 [Dills] - Would authorize employees of the State Department of Education who retire or die on or after January 1, 1991, to receive under the State Teachers' Retirement system (STRS) or the Public Employees' Retirement System (PERS), an additional two years of service credit and pension or other benefits based on the highest annual compensation. This authorization would be repealed on July 1, 1991. **URGENCY Died in Public Employment and Retirement Committee without hearing.**

Senate Bill 447 [Dills] - Would provide a "spot bill" that may be necessary to accommodate legislative ratification and statute changes to implement memoranda of understanding negotiated between the Governor and state employee organizations.

Amended - to allow State employees to voluntarily reduce their worktime up to 20 percent, with no proportional decrease in benefits. Would require management to approve all employee requests, unless public health and safety would be jeopardized. **URGENCY Vetoed by Governor.**

Senate Bill 465 [Dills] - Would provide a "spot bill" to accommodate legislative ratification and statute changes to implement memoranda of understanding negotiated between the Governor and state employee organizations.

Amended - to provide language for memoranda of understanding (MOU) for 12 state employee bargaining units.
URGENCY Chapter 103, Statutes of 1992.

Senate Bill 619 [Presley] - 1) Existing PERS law provides that local contracting agencies must submit member and employer contributions on a monthly basis. Member and employer accounts are credited with the contributions upon receipt.

2) This bill would create a pilot program allowing Riverside County, a PERS local contracting agency, to prepay required employer contributions, on a 2-year trial basis.

These employer contributions would be discounted to their actuarial "present value", as determined by the PERS Board.

3) This bill would also require the PERS Board to submit a report on this trial program by 12/31/93.

Amended - to change date in (3) above to read: "between July 1, 1992 and June 30, 1994."
Chapter 678, Statutes of 1991.

Senate Bill 621 [Ayala] - Would amend Ch. 988 of 1990 by clarifying provisions which allow military reservists or members of the National Guard, who are called to active duty as a result of the Persian Gulf War, to receive, until the official end of the Iraq-Kuwait crisis: a) the difference between their military pay and their state pay, and b) all benefits they would have received had they not been called to active duty. **URGENCY Died in Senate Appropriations.**

Senate Bill 623 [Ayala] - Would allow state Annual Leave program participants, upon retirement, to 'run out' their accumulated Annual Leave credits, rather than be forced to receive a lump sum payment for the unused balance. **URGENCY Chapter 1108, Statutes of 1991.**

Senate Bill 697 [Johnston] - Would prohibit the use of psychiatric or medical reports, prepared as part of the workers compensation claim evaluation process, from being used in state civil service demotion, transfer or termination proceedings. **Died in Public Employment and Retirement Committee without hearing.**

Senate Bill 707 [Cecil Green] - Would provide funding for previous 1990 legislation that authorized, but did not fund, **full service vision care benefits** for state retirees (comparable to those of active state employees). **URGENCY**
Died on Senate Appropriations suspense file.

Senate Bill 782 [Maddy] - Would provide enhanced benefits for injured state workers.

Specifically, this bill:

1) allows injured workers to be placed on the State Restriction of Appointment list (SROA), giving the injured worker a hiring preference equivalent to that of employees facing layoff;

2) requires that DOT employees injured while working on the state's highways who are subsequently transferred to lower paying jobs receive supplemental payments ("red circle rates") until the salary of the new job equals the current salary of the position the employee held when injured.

Currently red circle rates are granted to DOT employees with 10 or more years of state service; and

3) provides Public Employees' Retirement System (PERS) "industrial" disability and death benefits to industrially injured and totally disabled highway workers regardless of years of service. Currently these workers receive no PERS benefits until they have five years of service credit at which time they receive a lesser disability benefit.

Died in Senate Appropriations Committee.

Senate Bill 813 [Russell] - Would require the PERS Board to:
a) study alternative funding sources for the Investment Dividend Disbursement Account,
b) evaluate the permanent cost-of-living program, and
c) report to the Legislature by January 1, 1992. **URGENCY**

Amended to deal with PERS Administration. Died in Assembly Committee on Public Employees, Retirement, and Social Security.

Senate Bill 818 [Russell] - Would provide that a PERS beneficiary or survivor entitled to receive an allowance less than \$50 may elect to receive the actuarial equivalent in one lump sum. Would also increase the retired member lump sum benefit payable under the 1937 County Retirement Act from \$750 to \$1,000. **Died in Senate Public Employment and Retirement Committee without hearing.**

Senate Bill 839 [Davis] - Would provide that a judge who elects Senior Judge Status (SJS) may retire between age 60 and 70 with 17 years of service and continue to make the 8% member contributions until he or she is credited with 20 years of service.

Amended - To deal with criminal procedure: appeals. Provides that when a municipal or justice court accepts a plea of guilty or nolo contendere to a felony charge, the record of the case shall be certified to the court in which judgment is to be pronounced. Also provides that felony appeals from municipal or justice court judgments shall be taken in the court of appeal, and misdemeanor or infraction appeals from municipal court shall be taken in the superior court. **URGENCY** Chapter 78, Statutes of 1992.

Senate Bill 843 [Boatwright] - Would allow Contra Costa County, one of the '37 Act counties, to provide "safety" benefits to their Animal Control Officers.
Vetoed by Governor.

Senate Bill 919 [Boatwright] - Would require PERS to make disability retirement determinations within 6 months of receipt of an application.

Would also permit the California Highway Patrol to make advanced disability pension payments to a member of the California Highway Patrol after PERS' approval of disability retirement, until PERS commences payment of the retirement allowance.

Amended - to carry budget language, author's name dropped. **URGENCY** Died on file on the Senate Floor.

Senate Bill 981 [Dills] - Would provide a "spot bill" that may be necessary to accommodate legislative ratification and statute changes to implement memoranda of understanding negotiated between the Governor and the state employee organization in State Bargaining Unit 14. **URGENCY**

Amended - MOU bill for State Bargaining Units 1 and 11. Chapter 111, Statutes of 1992.

Senate Bill 1003 [McCorquodale] - Would require the STRS Board, with the advice of employee organizations, to adopt "optional benefit plans" to be made available on a district-by-district basis. (SECTION 2)

Would provide the STRS Board **new authority** to increase employer contributions in order to augment the now-uniform 8.25% employer rate paid by districts that elect to provide any of the new "optional benefit plans". (SECTION 1)

Amended - to deal with correctional treatment centers: seismic safety. 1) Extends sunsets on laws relating to the licensure of Correctional Treatment Centers (CTCs) by one year, to Jan. 1, 1994.

2) Requires that only reconstruction, alteration or additions to existing structures must comply with regulations related to specified codes.

3) Exempt CTCs from specified Office of Statewide Health Planning and Development oversight.

4) Specifies that the Department of Corrections (CDC) and the California Youth Authority (CYA) shall provide the Legislature with specified CTC licensure implementation plans by March, 1993.

5) Authorizes the Dept. of Health Services to investigate any health care complaints related to the CDC and the CYA.

6) Double-joins this bill with SB 1869 (Watson).
Chapter 1164, Statutes of 1992.

Senate Bill 1018 [McCorquodale] - Would allow the '37 Act and PERS counties to elect to provide "safety" benefits to their park rangers, child support enforcement investigators, coroner investigators and welfare fraud investigators.

Amended - [Hart] - Would require personal services contracts for janitorial and housekeeping services entered into by the State developmental centers to include provisions for medical, hospitalization, prescription, major medical, dental, and vision coverage under those contracts. **Vetoed by Governor.**

Senate Bill 1059 [Russell] - Would allow the Franchise Tax Board (FTB) to disclose to PERS the addresses and other information relating to the location of PERS members for specified purposes. Would make other non-substantive technical changes. **URGENCY Chapter 778, Statutes of 1991.**

Senate Bill 1091 [Hill] - Would authorize the public Employees' Retirement System (PERS) Board to raise the actuarial assumption for return on investments and to amortize actuarial gains over a five year period. **URGENCY** Died in Senate Public Employment and Retirement Committee without hearing.

Senate Bill 1129 [Dills] - Would allow retired Justice and Municipal Court judges to participate in the DPA-administered dental plan, and pay both the employee and employer premium contributions.

Amended - Deleted the above. New version amends a 1988 law, which provided a method to establish a non-member account for ex-spouses in the Judges' Retirement System (JRS) for the division of the community interest in the judge's pension in a divorce, by revising this method. Also provides for benefits to a disabled child survivor, and allows JRS members with prior PERS membership to return to PERS. **URGENCY** Chapter 176, Statutes of 1992.

Senate Bill 1162 [Cecil Green] - Would change the existing STRS recalculation procedure for disabled teachers when they reach age 60, by not adjusting the benefit down to the disabled teachers' "projected service retirement" benefit level, if lower. Died on Senate Appropriations Committee suspense file.

Senate Bill 1171 [Committee on Public Employment and Retirement] - Would allow STRS members, who are military reservists or members of the National Guard and were called to active duty in the Persian Gulf War, to receive full STRS credit for the time of their service, until the official end of the Iraq-Kuwait crisis.

Would also allow retired STRS members to cancel an "optional" survivor benefit, chosen before retirement, if the spouse predeceases the retiree. Chapter 543, Statutes of 1991.

Senate Bill 1172 [Committee on Public Employment and Retirement] - Would make several technical changes in the 1937 County Employees' Retirement Act.

Would also provide 2 new survivor continuance options, available upon adoption by the county board of supervisors. Chapter 982, Statutes of 1991.

Senate Bill 1173 [Committee on Public Employment and Retirement] - Would allow certain state employees, who are certificated as teachers and are members of the State Teachers' Retirement System (STRS), to wholly transfer their membership to the Public Employees' Retirement System (PERS). URGENCY Died on Senate Appropriations Committee suspense file.

Senate Bill 1174 [Committee on Public Employment and Retirement] - Would allow PERS local agencies to amend their contracts to offer PERS membership to employees who work less than 20 hours per week.

Amended - Deleted the above, and added language making various technical and procedural amendments to the PERS law, including long-term care. URGENCY Chapter 1154, Statutes of 1992.

Senate Bill 1175 [Committee on Public Employment and Retirement] - Would provide a "spot bill" that may be necessary to accommodate legislative ratification and statute changes to implement memoranda of understanding negotiated between the Governor and the state employee organization in State Bargaining Unit 4.

Amended - Deletes the above. Chaptered version changes the existing state employee Dental Care Act to clarify that dependents of state employees and retirees are covered by dental benefits, and provides for premium co-payment to be paid by retirees. URGENCY Chapter 447, Statutes of 1992.

Senate Bill 1176 [Committee on Public Employment and Retirement] - Would provide PERS local contracting agencies the option to participate in the PERS "partial service retirement program," created in 1983, now available only to state employees. Chapter 544, Statutes of 1991.

Senate Bill 1180 [Cecil Green] - Would allow a recognized employee organization to elect participation in the PERS Health Benefits Program for the employees and annuitants of the employee organization. The governing body of the employee organization would be responsible for the duties, contributions and responsibilities of a contracting agency. Died in Senate Public Employment and Retirement Committee without hearing.

Senate Bill 1193 [Cecil Green] - Would increase the maximum benefit payable under the PERS "patrol" and local safety formula from 75% of final average salary to 80%. **Died on Senate Appropriations suspense file.**

Senate Bill 1229 [McCorquodale] - Would require an increase of the basic 1959 Survivor Benefit levels for all local contracting agencies.

Would also provide new, higher benefit levels, with a limited CPI-indexed COLA, as a local option. **Vetoed by Governor.**

Senate Bill 1242 [Royce] - Would make 5 minor "technical" changes in the PERS Law. URGENCY

Amended - [Maddy] Final version makes a number of changes in the PERS law, including provisions for legislative employees in the Blue Shield Preferred plan to enter a PEMHCA plan, provisions for legislative members to use highest salary for computing retirement benefit, and changes the author of the bill. URGENCY **Chapter 892, Statutes of 1991.**

Senate Bill 1250 [Robbins] - Would amend a 1988 law which provided a method to establish a nonmember account for ex-spouses in the JRS for the division of the community interest in a judge's pension in a divorce.
(Sections 1 through 4, 7 and 8)

Would also authorize the Judges' Retirement System (JRS) to pay benefits to a disabled child survivor or his/her guardian for life, or until the end of the disability, if the spouse dies and the child's disability began before the child turned 18.
(Sections 7 and 8) **Vetoed by Governor.**

Senate Bill 1253 [Dills] - PERS: amortization periods: reserve against deficiencies. URGENCY **Died in Senate Public Employment and Retirement Committee without hearing.**

Senate Bill 1268 [Maddy] - Would limit the number of terms that an elected member could serve on the PERS Board of Administration. **Failed passage in Senate Public Employment and Retirement Committee.**

Senate Bill 1285 [Leslie] - Would provide that any non-represented state member whose compensation was decreased due to a lack of funds or who took a demotion in lieu of layoff, may elect to make additional member contributions on the amount of the difference for the purpose of restoring the full compensation for retirement calculation purposes.

URGENCY

Amended - Deletes the above. Instead, provides that retirement and other benefits of state managers and supervisors shall be computed on the highest annual compensation they would have earned had their salary not been administratively reduced during the 1991-92 fiscal year. Also extends an existing sunset date relative to contracting agencies, and places a five-year maximum timeframe on any repayment time period, as specified. URGENCY Chapter 448, Statutes of 1992.

Senate Bill 1322 [Russell] - Would provide an additional retirement option which would be available for a member to elect at retirement in order to minimize or eliminate the impact of the Internal Revenue Code Section 415 benefit limits on the member's retirement allowance. Chapter 374, Statutes of 1992.

Senate Bill 1508 [Russell] - Would eliminate the current formula for determining the rate of employee contributions for members who return to county service after serving in the military (leaving the rate the same as it was before these employees left county service to enter the military).

Would also eliminate the current requirement that disabled employees returning to county service after successful completion of rehabilitation earn at least two-thirds of their former salary to qualify for an augmentation program in the retirement system which restores their pre-injury income level. Chapter 132, Statutes of 1992.

Senate Bill 1563 [McCorquodale] - This is a spot bill for possible changes in the Judges' Retirement System (JRS).

Amended - Would require all new judges appointed or elected on or after the effective date of the legislation to be covered under a new retirement plan. **Vetoed by Governor.**

Senate Bill 1604 [Kopp] - Would increase the Judges' Retirement System (JRS) benefit for those judges who continue to serve past the term in which they attain age 70, from 50% of salary to 65%. **Refused passage on Senate floor.**

Senate Bill 1672 [Alquist] - Would restore, by appropriation, the compensation levels of state managers and supervisors that were reduced 5% by the Department of Personnel Administration (DPA) at the request of the Governor. **Died on Senate Appropriations Committee suspense file.**

Senate Bill 1675 [Dills] - Would make a technical correction to 1990 legislation that was passed to allow active and retired Municipal and Justice Court judges to participate in the PERS-administered health plan (PEMHCA). **Chapter 629, Statutes of 1992.**

Senate Bill 1687 [Leroy Greene] - Would make 5 minor "technical" changes in the PERS Law.

Amended - Provides that when a public retirement system leases real property, which it owns for income producing purposes, that the lessee's possessory interest in that property shall be taxable. URGENCY **Chapter 1158, Statutes of 1992.**

Senate Bill 1690 [Killea] - Would require the State Personnel Board to track the salaries of women and minorities in the state civil service so that the public can understand the effects of the "glass ceiling" patterns affecting these employees.

Would also require the Board to report this data, along with findings, regarding the progress of these groups in attaining higher levels. **Chapter 1264, Statutes of 1992.**

Senate Bill 1702 [Craven] - Would require that elected employee representatives be allowed to sit on local agency pension boards of trustees. **Vetoed by Governor.**

Senate Bill 1765 [Cecil Green] - Would allow a legislator first elected after November 1990, who left either STRS-covered or PERS-covered employment to begin serving in the Legislature, to purchase the service credit in STRS or PERS upon rejoining the retirement system after the completion of legislative service and payment of both the employee and employer contributions, plus interest. **Vetoed by Governor.**

Senate Bill 1784 [Johnston] - Would dedicate, under specified conditions, excess interest earnings to retiree health benefit subsidization, in a manner compliant with Federal tax law.

Would require approval of both the county board of supervisors and county board of retirement. **Chapter 733, Statutes of 1992.**

Senate Bill 1883 [Cecil Green] - Would repeal a section of the Government Code that relates to a legislative mandate to develop alternatives to the second-tier retirement plan and that mandates that all new state miscellaneous and industrial members be subject to the second tier.

Would also limit the retirement allowance of state miscellaneous and industrial members to 100 percent of their final compensation. **Died on Senate Appropriations Committee suspense file.**

Senate Bill 1884 [Cecil Green] - Would provide for the inclusion of credit for a member's unused sick leave in the calculation of a family allowance payable to a surviving spouse at age 60.

Would also remove the provision which requires termination of the allowance payable to a surviving spouse upon the spouse's remarriage.

These proposals are the result of an examination of the STRS benefit structure by an Equity Task Force, established by prior legislation, and also to comply with new federal law, the Older Workers' Protection Act, and a recent court case involving disability pension calculations.

Amended - Replaced by the following: Current law specifies the calculation for retirement service credit following termination of disability under the State Teachers' Retirement System (STRS). This bill codifies current administrative practice regarding the calculation of retirement service credit following termination of disability. It also establishes a method for calculating retirement service credit for multiple retirements (members who reinstate from disability and subsequently go on service retirement or disability retirement). **URGENCY** (Was contingent upon chaptering of SB 1885 and SB 1886.) **Chapter 1165, Statutes of 1992.**

Senate Bill 1885 [Cecil Green] - This bill, along with SB 1886, are vehicles for statutory changes that will bring the STRS into compliance with the Older Workers Benefit Protection Act (OWBPA). The OWBPA was signed into federal law on October 16, 1990 requiring employee benefit plans to comply (**within two years**) with rules for nondiscrimination by age.

These proposals are the result of an examination of the STRS benefit structure by an Equity Task Force established pursuant to Chapter 1172 of 1990. **URGENCY**

Amended - In accordance with the above, this bill establishes a new survivor benefits program and new disability program for all new members entering the State Teachers' Retirement System (STRS) on or after October 16, 1992. Also authorizes persons who were members of STRS on October 15, 1992, to elect to participate in the new program. Double-joined with SB 1884 and SB 1886. **URGENCY**
Chapter 1166, Statutes of 1992.

Senate Bill 1886 [Cecil Green] - (See SB 1885 above)

Amended - In accordance with above, this bill revises the standard for a STRS member to be qualified as disabled by including the ability to perform the member's usual duties for the member's employer with reasonable modifications. The STRS Board would be allowed to require a member to request reasonable accommodation from the employer, and would be allowed to cancel the disability allowance application if a member fails to make that request.

Allows the STRS Board to require the member to pursue an administrative appeal of an employer's denial of an accommodation request. Defines "comparable level position" as any job in which the member can earn 66-1/2 percent or more of his/her indexed final compensation.

Double-joined with SB 1884 and SB 1885. **Chapter 1167, Statutes of 1992.**

Senate Bill 1887 [Cecil Green] - Would create a Voluntary Reduced Worktime Program, direct the Department of Personnel Administration (DPA) to authorize departments to implement the program, cap the amount of voluntary reduction at no more than 20% of the employees' time per pay period and require employees to notify their appointing power of the proposed schedule, as specified.

Would specify that all health, dental, retirement, and similar benefits are to continue and that no break in state service or reduction in the employee's accumulation of service credit for the purposes of seniority, promotion, leave accumulation, or merit salary adjustment is to occur as a result of participation in the program.

Amended - Deletes the above. Chaptered version provides legislative approval of the memorandum of understanding (MOU) entered into by the State and Bargaining Unit No. 3 (California State Employees Association, (CSEA)).

Amends SB 465 (Dills) and SB 1285 (Leslie) to provide STRS covered employees the benefits provided by those two pieces of legislation. **Chapter 1372, Statutes of 1992.**

Senate Bill 1888 [Cecil Green] - Would make a nonsubstantive change to Section 21203 of the Government Code regarding a member's right to a retirement allowance under PERS. **Died in Senate Public Employment and Retirement Committee without hearing.**

Senate Bill 1889 [Cecil Green] - Public employees' health benefits: service termination. (spot bill) **Died in Senate Public Employment and Retirement Committee without hearing.**

Senate Bill 1902 [Johnston] - Would require the Teachers' Retirement Board to conduct a statewide health benefits study of certificated and classified school employees and makes an unspecified General Fund appropriation for this purpose.

Would also allow the PERS Board to enter into contracts with long-term care providers, and would allow the loan of \$125,000 from the PERS Fund for the purpose of conducting contract solicitations.

Amended - Removes classified employees from health benefits study and eliminates long-term care provisions. **Vetoed by Governor.**

Senate Bill 1957 [Thompson] - Would delete the sunset clause in the statute which requires PERS and STRS to give first priority to investing not less than 25% of newly available funds in California residential realty. URGENCY
Chapter 540, Statutes of 1992.

Senate Concurrent Resolution 24 [Russell] - Would make additional merit awards to certain state employees whose proposals have resulted in annual savings and net revenue gains to the state. **Resolution Chapter 69, Statutes of 1991.**

Senate Concurrent Resolution 61 [Russell] - Would authorize the payment of cash awards in excess of \$5,000 to State employees for their suggestions submitted through the State Merit Award Board. **Resolution Chapter 71, Statutes of 1992.**

SENATE COMMITTEE ON PUBLIC EMPLOYMENT AND RETIREMENT
LEGISLATIVE BILL SUMMARY
1991-92 REGULAR SESSION

ASSEMBLY MEASURES

Assembly Bill 75 [Elder] - Would delete an obsolete reference in the Education Code to a repealed section.

Amended - Replaced the above with: Would require school employers to inform newly hired certificated employees who work part-time, or as a substitute teacher, about the option to participate in a STRS plan instead of participating in mandatory Social Security.

Would also allow PERS local contracting agencies to grant 4 years of additional service credit to eligible employees, during the 1992-93 fiscal year, to encourage early retirement; this provision would sunset December 31, 1993.
Vetoed by Governor.

Assembly Bill 79 [Elder] - Would modify the home loan program administered by the Public Employees' Retirement System (PERS), allowing members to obtain home loans equal to 100% of the home's cost under certain circumstances. **Vetoed by Governor.**

Assembly Bill 113 [Elder] - Would repeal sunset date on certain reporting requirements in the PERS law, and would allow the PERS Board to offer unique and specialized health plans to local agencies who participate in PEMHCA.
Chapter 281, Statutes of 1991.

Assembly Bill 141 [Elder] - Would provide enhanced benefits for injured state workers.

Specifically, this bill:

- 1) allows injured workers to be placed on the State Restriction of Appointment list (SROA), giving the injured worker a hiring preference equivalent to that of employees facing layoff;
- 2) requires that DOT employees injured while working on the state's highways who are subsequently transferred to lower paying jobs receive supplemental payments ("red circle rates") until the salary of the new job equals the current salary of the position the employee held when injured.

(AB 141 continued)

Currently red circle rates are granted to DOT employees with 10 or more years of state service; and

3) provides Public Employees' Retirement System (PERS) "industrial" disability and death benefits to industrially injured and totally disabled highway workers regardless of years of service. Currently these workers receive no PERS benefits until they have five years of service credit, at which time they receive a lesser disability benefit.

This bill, according to the Legislative Analyst, would result in costs of approximately \$30,000 in 1990 (various funds) and increasing annually by similar amounts annually thereafter for supplemental payments to injured DOT highway workers who are placed in positions paying less than what those workers earned prior to their injury and increased death and disability benefits. **Vetoed by Governor.**

Assembly Bill 191 [Elder] - Would:

- a) add provisions concerning the limitations imposed by Section 415 of the Internal Revenue Code (IRC) on the benefits received by STRS members (Section 1),
- b) authorize STRS to establish procedures to ensure compliance with information reporting requirements and would provide that any person who willfully files any report in violation of the statutory requirements is guilty of a misdemeanor (Section 2),
- c) make a technical corrective change in the one-year final compensation provisions for classroom teachers (Section 3),
- d) clarify that STRS disabilitants and inactive members are eligible to participate in the Member Home Loan Program (Section 4),
- e) expand the spousal signature requirements (Section 6),
- f) require employers to annually provide STRS with copies of documents concerning employee compensation (Section 7), and
- g) make technical and clarifying changes regarding the calculations of post-disability service retirement allowances (Section 8).

(AB 191 continued)

Amended - The above was deleted and replaced with a bill which would prohibit the Los Angeles Unified School District and the San Francisco unified School District from making their employer contributions to the State Teachers' Retirement System (STRS) from January 1992 through June 1992. The contributions that would have been made during that six-month period would instead be paid in monthly payments over a period of up to 20 years, commencing July 1, 1993. **Vetoed by Governor.**

Assembly Bill 210 [Epple] - Would codify current PERS administrative practice of allowing county Superintendents of Schools, regional occupational centers, or programs established under a joint powers agreement, to have PERS conduct elections to provide Medicare coverage for certificated employees (who are members of STRS) hired before March 31, 1986. **URGENCY Chapter 150, Statutes of 1991.**

Assembly Bill 216 [Hughes] - Would change the status of four members of the State Teachers' Retirement System (STRS) Board from being appointed by the Governor to being elected by members of specified STRS constituent groups.

Specifically, the bill requires that the appointees representing retirees (1), community colleges (1), and the K-12 schools (2) henceforth be elected to four-year terms, with two elected in 1992, and two elected in 1995.

Would also require the STRS to conduct the elections. **Died Concurrence pending on the Assembly floor.**

Assembly Bill 276 [Filante] - Would permit local school districts and community college districts to adopt an additional early ("Rule of 85") retirement option for their teachers. The district must reimburse STRS for the full program and administrative costs. **Vetoed by Governor.**

Assembly Bill 291 [Floyd] - Would change the process for taking adverse actions against state employees, and create a mechanism for the appointment of an "impartial reviewer" who can review or modify the proposed adverse action. **Vetoed by Governor.**

Assembly Bill 296 [Statham] - Would raise the \$3,000 limit on merit awards granted to state employees by the Department of Personnel Administration without legislative approval to \$5,000. **Chapter 220, Statutes of 1991.**

Assembly Bill 303 [Baker] - Would delete an obsolete reference in the Education Code to a repealed section.
URGENCY **Chapter 153, Statutes of 1991.**

Assembly Bill 348 [Chacon] - Would provide that legislators shall be reimbursed at the same per mile rate as other state employees when using their personal automobiles, and would extend authority to pay travel and moving expenses to departments hiring to achieve established goals and timetables designed to overcome any identified underutilization of minorities and women. **Chapter 833, Statutes of 1991.**

Assembly Bill 391 [Clute] - Would provide that if a disabled PERS local employee is determined to be no longer incapacitated for duty, the disability retirement allowance would be canceled when the employer actually reinstates that employee, rather than when the offer to reinstate is made, as specified. **Vetoed by Governor.**

Assembly Bill 449 [Tucker] - Would authorize state employees to examine medical records used as a basis for their transfer, demotion, or termination.

Amended - Deletes the original provisions and instead reappropriates \$428,000 from the 1990-91 community college lease-purchase program to lease relocatable classrooms for Los Angeles Southwest College. **Chapter 457, Statutes of 1991.**

Assembly Bill 452 [Epple] - Would exempt state employees, under certain circumstances, from disclosing past adverse actions on applications for state employment. **Refused passage on Senate floor.**

Assembly Bill 533 [Burton] - Would change the name of the Legislators' Retirement System (LRS) to the Elected Officials' Retirement System and would make corresponding name changes to the LRS law and fund. **Died in Conference Committee.**

Assembly Bill 555 [Seastrand] - Would delete an obsolete State Personnel Board reporting requirement. Died in Senate Public Employment and Retirement Committee without hearing.

Assembly Bill 574 [Elder] - Would allow the temporary continuation of health benefits coverage for public employees who terminate their employment between the ages of 60 and 65, thereby providing an "extension" of the federally required COBRA 18 month health plan continuation program.

Would also require public employers to provide health care cost and availability "counseling" to public employees who terminate their employment between the ages of 60 and 65. Vetoed by Governor.

Assembly Bill 679 [Moore] - Would add an uncodified section of law requiring PERS to conduct a study of the disparities in benefits which exist between state and school members, and the cost of providing school members with additional benefits including a lump-sum post-retirement death benefit, one-year final compensation and credit for unused sick leave at retirement. The bill states the study is due to the Governor and Legislature by June 30, 1991. Died in Senate Public Employment and Retirement Committee without hearing.

Assembly Bill 753 [Elder] - Would establish a managers and supervisors special leave credit program. The special leave credit would represent the five percent salary reductions that managers and supervisors received in the 1991-92 fiscal year. This bill would also restore managers and supervisors to their pre-reduction salary level and provide a retirement allowance based on the highest final year's compensation as if there was no reduction in salary. URGENCY Died in Senate Public Employment and Retirement Committee without hearing.

Assembly Bill 881 [Tucker] - Would include L.A. County in the provisions of 1990 legislation which authorized '37 Act Counties to reinstate retired members, and establish procedures for determining contribution rates and subsequent retirement allowances for those reinstated retirees. Chapter 75, Statutes of 1992.

Assembly Bill 904 [Elder] - Would require the PERS Board to approve any association health plan that was approved in the 1987/88 or prior contract year, provided minimum standards are maintained. Chapter 440, Statutes of 1991.

Assembly Bill 906 [Elder] - Would authorize UC to place all employees hired after January 1, 1992 who work less than 1/2-time into the Defined Contribution Plan (DCP), thereby avoiding the FICA charges. URGENCY Chapter 986, Statutes of 1992.

Assembly Bill 952 [Quackenbush] - Would increase the upper limit on the portion of the PERS Fund that can be invested in small business ventures, and moves the existing sunset date from 1/1/92 to 1/1/95. Chapter 622, Statutes of 1991.

Assembly Bill 986 [Lancaster] - Would change the retirement classification of various state correctional employees to "state safety member". Chapter 623, Statutes of 1991.

Assembly Bill 1038 [Mays] - Would codify the current State Personnel Board (SPB) practice of limiting the number of individuals who may be considered for appointment from a state civil service "general reemployment list" to the **three persons with the highest scores** on the list. Chapter 484, Statutes of 1992.

Assembly Bill 1040 [Mays] - Would extend to school employees provisions of current law regarding the nondisclosure of home addresses and telephone numbers. URGENCY Chapter 463, Statutes of 1992.

Assembly Bill 1055 [Wright] - Would provide that certain classes of Department of Forestry employees, for which the entrance examinations are now open, would be promotional only after the effective date. **Died in Senate Public Employment and Retirement Committee without hearing.**

Assembly Bill 1061 [Bentley] - Would extend to other state employees an existing provision now covering some state employees relating to vocational rehabilitation. (Sponsored by the Governor's Department of Personnel Administration and supported by state employee organizations.) URGENCY Chapter 1039, Statutes of 1992.

Assembly Bill 1074 [Epple] - Would increase the State Teachers Retirement System (STRS) retirement allowance factor for specified teachers and administrators who continue to work beyond the "normal" STRS retirement age of 60. **Vetoed by Governor.**

Assembly Bill 1148 [Floyd] - Would remove the January 1, 1981 effective date in an existing PERS section of law which allows previously laid off employees who return to work within 12 months to receive PERS service credit, if the local employer elects the option. **Died on Senate Inactive file.**

Assembly Bill 1220 [Mays] - Would provide that, in Orange County, "safety" membership shall not include any division of the office of the sheriff which consists of employees who perform duties what are primarily clerical in nature and do not consist of active law enforcement personnel. Optional to the county board of supervisors. **Chapter 593, Statutes of 1991.**

Assembly Bill 1266 [Hughes] - Would repeal the earnings limitation on PERS "ordinary" disability benefits received prior to the time the retiree reaches age 50. **Vetoed by Governor.**

Assembly Bill 1330 [Burton] - Would require the State Teachers' Retirement System (STRS) and the Public Employees' Retirement System (PERS) to:

- a) Compile a list of corporations that do business in Northern Ireland, in which the assets of the two funds are invested, and report this information to the Legislature;
- b) Annually monitor the extent to which U.S. Corporations operating in Northern Ireland adhere to non-discrimination principles, as defined by the MacBride Principles; and
- c) Support, whenever feasible, shareholder resolutions designed to encourage corporations to pursue a policy of affirmative action in Northern Ireland.

Vetoed by Governor.

Assembly Bill 1399 [Eaves] - Would require the State Teachers' Retirement System (STRS) to report to the appropriate policy committees of the Legislature by September 1, 1993 regarding the establishment of a supplemental defined contribution benefit that STRS could administer and which could be offered by STRS or by a third party.

Would also require STRS to establish a defined contribution account for nonvested STRS members by July 1, 1995. **Died on Senate Appropriations Committee suspense file.**

Assembly Bill 1403 [Speier] - Would provide "safety" membership in the San Mateo County retirement system for all future probation officers, and make "safety" membership optional for future service of currently employed county probation officers. URGENCY Chapter 344, Statutes of 1991.

Assembly Bill 1435 [Elder] - This bill contains the memorandum of understanding (collective bargaining agreement) for State Bargaining Unit 6 between the state and the California Correctional Peace Officer Association (CCPOA). URGENCY Chapter 543, Statutes of 1992.

Assembly Bill 1522 [Campbell] - Would allow the Trustees of the California State University to grant either up to 2 additional years of age and 2 additional years of service credit or up to 5 years of additional service credit to eligible employees, during the 1992-93 fiscal year, to encourage early retirement. URGENCY

Amended - Changed to offer "up to an additional 4 years of service credit" and eliminate reference to the 2 additional years of age and 2 additional years of service credit option. Chapter 450, Statutes of 1992.

Assembly Bill 1559 [Epple] - This bill would require that retirement service credit under the Public Employees' Retirement System (PERS) no longer be divided as community property in a divorce proceeding and would require that member contributions continue to be awarded to the member's ex-spouse. Died in Senate Public Employment and Retirement Committee without hearing.

Assembly Bill 1569 [Campbell] - Would place limitations and conditions on the making of interjurisdictional assignments of employees in the state Department of Education and the Chancellor's Officer, California Community Colleges.

Would also reduce the existing 4-year limit on the authority for assignments of non-state and state employees to 2 years. Vetoed by Governor.

Assembly Bill 1790 [Elder] - Would require the PERS Board to make disability application eligibility determination within six months of receiving an application for disability submitted by a Peace Officer/Firefighter (POFF) member, unless the applicant waives the requirement.

(AB 1790 Continued)

Amended - Requires that the PERS Board make the disability determinations within 3 months of receiving all the information required to make a determination for disability retirement. PERS must inform both the employer and member of all the information required. Patrol members are also included in the new determination limits. **Chapter 1095, Statutes of 1991.**

Assembly Bill 1915 [Quackenbush] - Would make a variety of technical changes to current law, including an authorization for PERS to continue the health benefit coverage of local public contracting agency employees or annuitants that reside or retire out of state. **Chapter 749, Statutes of 1991.**

Assembly Bill 1922 [Frizzelle] - "The Public Employees' Retirement Law requires funds remaining in specified retired member benefit accounts which were repealed to be used to reduce employer contributions to the Public Employees' Retirement System in fiscal year 1991-92 and subsequent fiscal years until those amounts are depleted.

This bill would require that, for the state employer, the funds only be utilized to reduce employer contributions required of state agencies or departments that would otherwise be paid from General Fund appropriations. The bill would require that any interest that has accrued to state employer funds also be utilized in that manner.

The bill would declare that it is to be deemed to have become operative on July 1, 1991." **URGENCY Chapter 91, Statutes of 1992.** (Not heard in P.E. & R. This language was amended into the bill in Senate Budget and Fiscal Review.)

Assembly Bill 1971 [Elder] - Would modify the home loan program administered by the Public Employees' Retirement System (PERS), allowing members to obtain home loans equal to 100% of the home's cost under certain circumstances. **URGENCY Chapter 1071, Statutes of 1992.**

Assembly Bill 2011 [Wright] - Would provide authority to pay the alternate retired board member the same compensation as the eighth board member for any board meeting of the Santa Barbara County Board of Retirement. **URGENCY Chapter 96, Statutes of 1992.**

Assembly Bill 2040 [Lee] - Would require equal representation between employees and employers on 3 transit district retirement boards (Alameda-Contra Costa Transit District [AC Transit], Sacramento Regional Transit District [RTD], and Stockton Metropolitan Transit District). Would also increase the membership of those 3 retirement boards from 5 to 6, as specified. Died in Senate Public Employment and Retirement Committee without hearing.

Assembly Bill 2089 [Eaves] - Would extend the eligibility period for both represented and nonrepresented employees for Enhanced Industrial Disability Leave payments from 1 year to 3 years.

Amended - Restricts provisions above to employees of the Department of Forestry and Fire Protection with burn-related injuries to 3 years. **Vetoed by Governor.**

Assembly Bill 2094 [Costa] - Would provide that where the state assumes a function and related personnel from a local public agency which was not a PERS contracting agency, service rendered for the public agency shall be credited as state service for vesting for health benefits following retirement if the former employer pays the actuarial cost for the benefits (Sections 1 and 2).

Would also authorize a local '37 Act County board of supervisors to establish a retiree health insurance trust funded by contributions from the employer and employee, subject to meet and confer, and in compliance with applicable Federal tax laws. (Section 3)
Chapter 1149, Statutes of 1991.

Assembly Bill 2106 [Campbell] - Would allow the spouse of a vested member who dies while actively employed to elect to receive, in lieu of the death benefit otherwise payable, the same retirement allowance the member would have received had the member applied for a disability benefit on the day of death, and selected Option 2.

Optional to county board of supervisors. **Vetoed by Governor.**

Assembly Bill 2121 [Elder] - Would require the counsel to the Public Employees' Retirement System Board of Administration to inform each Board member that they are subject to the gift provisions of the 1990 Ethics in Government Act (\$250 gift limit).

(AB 2121 Continued)

Would also prohibit outside ("ex parte") communication about the bidding or application process regarding, among other things, investment products, including but not limited to, bonds, real estate and stocks.

Chapter 1153, Statutes of 1991.

Assembly Bill 2168 [Gotch] - Would require, in the case of a dispute involving the issue of job incapacity of the local member, that a hearing shall be conducted by an administrative law judge of the Office of Administrative Hearings, whose decision is final.

Amended - Removes from the above the provision to make the decision of the administrative law judge final, and removes provisions for a state mandated program.

Chapter 1159, Statutes of 1991.

Assembly Bill 2215 [Floyd] - Would repeal an existing requirement that a public employee appear before local governing bodies, Congress or the Legislature to answer charges that the person advocates the overthrow of the federal or state government.

Amended - Deletes the above, and adds the following:
Amends Government Code Section 19130 (a) COST SAVINGS BASED CONTRACTS to require that the "quality of services" be added to the standards used by the State Personnel Board to evaluate cost savings based contracts. **Died in Senate Public Employment and Retirement Committee without hearing.**

Assembly Bill 2224 [Cannella] - Would revise State Teachers' Retirement System (STRS) law to provide that persons employed on a part-time basis shall receive credit for time served in the proportion that their assignments bear to the assignments deemed by their employing district to be full-time assignments for their particular positions. **URGENCY Vetoed by Governor.**

Assembly Bill 2282 [Elder] - Would require the Teachers' Board to conduct a study related to offering low-interest rate financing to members, and report to the Legislature by 1/1/93.

Amended - Amendment changes the report date to 7/1/93.
Vetoed by Governor.

Assembly Bill 2283 [Elder] - Would provide for the participation of members employed by the Department of Corrections, the Department of Youth Authority, the Board of Prison Terms, and the Youthful Offender Parole Board in the now-dormant PERS "additional contributions" program. **Chapter 1321, Statutes of 1992.**

Assembly Bill 2285 [Elder] - Would authorize the PERS Board to include investment fund options for local and school members in the deferred compensation program that now applies only to PERS state members.

Would also require the PERS Board to report on specified matters to the Legislature by 7/1/93. **Chapter 618, Statutes of 1992.**

Assembly Bill 2293 [Elder] - Would require that a PERS member who elects to redeposit withdrawn employee contributions must redeposit the amount representing all previous withdrawals at the same time; however, the member would be given the option of redepositing one third of the total amount due. **Vetoed by Governor.**

Assembly Bill 2317 [Moore] - Would allow PERS and STRS Boards of Administration to consider participation goals for minority- and women-owned business for the purpose of meeting existing statewide participation goals contained in the Public Contract Code. **Vetoed by Governor.**

Assembly Bill 2331 [Elder] - Would provide a variety of legislative responses to the recently uncovered, but apparently widely used, practice of "spiking" the final "compensation" of employees of PERS contracting agencies. **Vetoed by Governor.**

Assembly Bill 2411 [Campbell] - Would allow the spouse of a vested '37 Act county retirement system member, who dies while actively employed (but prior to retirement), to elect to receive, instead of the lower death benefit, an "Option 2" monthly benefit. **Vetoed by Governor.**

Assembly Bill 2514 [Bentley] - Would modify the definition of state safety members within the Department of Corrections, Youth Authority, Board of Prison Terms or Prison Industry Authority.

Amended - Would, in addition to the above, direct the DPA to establish a personal leave program for approximately 30,000 executive branch employees who are excluded from collective bargaining. Legislative employees are not included. The program would be consistent with the programs provided for represented employees through memoranda of understanding (MOU) reached under the Ralph C. Dills Act.
URGENCY Chapter 206, Statutes of 1992.

Assembly Bill 2538 [Moore] - Would allow STRS members to elect to receive service credit for up to four months of time spent on an approved family care leave, if the member pays the actuarial cost of the benefit.

Would also provide that school districts could choose to pay part (or all) of the cost of the family care leave service credit.

Amended - Adds additional changes in Section 22902 of the Education Code, as proposed in SB 1765, and double-joins the two bills. **Chapter 1272, Statutes of 1992.**

Assembly Bill 2704 [Andal] - Would expand a PERS member's right to make changes in retirement options. **Chapter 524, Statutes of 1992.**

Assembly Bill 2721 [Elder] - I. Would require '37 Act county boards of supervisors to make public, at regularly scheduled meetings, all salary and benefit increases that affect employees.

II. Would also remove several restrictions on the ability of the Los Angeles County Employees' Retirement Association to retain counsel other than the Los Angeles County Counsel.

Amended - Adds provisions to the above to enable the State and local retirement systems to comply with the requirements of new federal legislation regarding the provision of an election for direct roll-over of plan distributions. The intent of the author is to **authorize** such roll-overs only, rather than require them. **Chapter 1047, Statutes of 1992.**

Assembly Bill 2761 [Johnson] - Would permit the recognition of judicial service as a justice court judge prior to 1/1/90 to qualify for the minimum 4 years of service requirement to be eligible to apply for a Judges' Retirement System (JRS) non-job related disability retirement. Died on Senate inactive file.

Assembly Bill 2809 [Alpert] - Would make technical clean-up or codification of existing administrative practice. Chapter 751, Statutes of 1992.

Assembly Bill 2826 [Murray] - Would provide that, for military leaves of absence of community college, school district or student body association employees, length of service for layoff purposes shall be granted as required by federal law. Chapter 303, Statutes of 1992.

Assembly Bill 2908 [Bentley] - Would require a court to award attorney's fees in every case in which the applicant wins a reversal of the County Retirement Board's decision to deny benefits, rather than allowing the court the discretion to choose whether or not to award the attorney's fees.

Would also make this attorney's fees provision applicable to a decision of any court, not just a Superior court. Vetoed by Governor.

Assembly Bill 2965 [Horcher] - Would provide that the calculation of retirement benefits of state supervisors and managers would disregard the recent 5% salary reduction implemented after the adoption of the 1991 state Budget Act. URGENCY Died in Senate Appropriations Committee.

Assembly Bill 3154 [Conroy] - Would include the 17 fire protection personnel employed at the Armed Forces Reserve Center in Los Alamitos in the state civil service by July 1, 1995.

Would also increase the retirement, salary and benefit levels of the 17 employees from the levels of State Active Duty employees of the Military Department, to those of employees of State Bargaining Unit #7. Died on Senate Appropriations Committee suspense file.

Assembly Bill 3166 [Conroy] - Would require that veterans preference points (10-15 points) be added to the scores of veterans who pass "open, non-promotional" state civil service exams. **Vetoed by Governor.**

Assembly Bill 3187 [Hauser] - Would allow PERS agencies (employers) which have excess contributions on deposit in the system to be eligible to use those contributions for any purpose as established by law. **Died in Senate Public Employment and Retirement Committee without hearing.**

Assembly Bill 3349 [O'Connell] - Would:

- 1) allow any classified school member employer to provide 2% of final compensation for each year of service credit when the member's age and years of service, when added together, equal 80,
- 2) remove the September 1993 sunset date contained in the "Golden Handshake" authorization, and
- 3) clarify the conditions under which local school districts can participate in a "Golden Handshake" program for classified employees.

Amended - Delete 1) above. Chapter 792, Statutes of 1992.

Assembly Bill 3503 [Elder] - Would provide that the calculation of retirement benefits of state supervisors and managers would disregard the recent 5% salary reduction implemented after the adoption of the 1991 state Budget Act. **URGENCY Died in Conference.**

Assembly Bill 3662 [Elder] - Would require the Department of Personnel Administration to authorize any represented state employee to elect any tax-saving/flexible benefit program in lieu of compensation. **Vetoed by Governor.**

Assembly Bill 3791 [Gotch] - Would eliminate the one-year time limit for a veteran to enter state service after discharge in order to receive seniority credit for time in the military in the event of a layoff.

Amended - Makes the above provision operative on July 1, 1993. Chapter 499, Statutes of 1992.

Assembly Bill 3806 [Hughes] - Would allow contracting agencies and the exclusive representatives to agree to a percentage of employer contribution for PEMHCA annuitants based on completed years of credited service with the contracting agency. The provisions of the employer contribution would be outlined in the collective bargaining agreement for represented employees and for unrepresented employees by the agency's governing board. Contracting agencies currently in the PEMHCA program could adopt the vesting option for future employees. The bill would also amend the current section that allows a recognized employee organization to contract for participation in PEMHCA. Died in Senate Public Employment and Retirement Committee without hearing.

Assembly Bill 3823 [Epple] - Would provide code maintenance of the PERS Government Code sections, and would extend the period of time that school districts can contract to provide Medicare coverage to STRS members who were first employed before Medicare coverage became mandatory on 4/1/86. Chapter 673, Statutes of 1992.

Assembly Joint Resolution 43 [Hauser] - Relative to the protection of retirees', beneficiaries', and survivors' pensions and health benefits. Withdrawn from committee, rereferred to Senate Insurance Committee. Resolution Chapter 55, Statutes of 1992.

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